

UINTAH COUNTY

STATE OF UTAH



COMMISSIONERS:
Neal H. Domgaard
Byron G. Merrell
Leo Snow
ASSESSOR - Don M. Walker
AUDITOR - Amy G. Pope
ATTORNEY - Mark Nash
CLERK - Dorothy C. Luck
RECORDER - Lola Anderson
TREASURER - Francis P. Southam
SHERIFF - Arden W. Stewart
SURVEYOR - Nelson Marshall

January 18, 1984

State of Utah
Natural Resources & Energy
State Lands & Forestry
3100 State Office Building
Salt Lake City, Utah 84114

*Uintah County
Tar Sands*

RECEIVED
JAN 26 1984

(new) FILE PRO/047/022

to team for
review 2/2/84

JIM MB

JAN 26 1984

**DIVISION OF
OIL, GAS & MINING**

Gentlemen:

Re: Approval of Tar Sands Lease Agreement
and Application to purchase overburden
for road fill.

Attached for your consideration are two documents; 1) a "Tar Sands Lease Agreement" between Celsius Energy Company (the primary leaseholder) and Uintah County for the SE 1/4, Section 32, T14S R23E, and 2) a "Notice of Intention to Commence Mining Operations and Mining and Reclamation Plan." Uintah County is desirous of having the two documents approved so the county can mine the tar sands for road surfacing improvements on the Seep Ridge road between Ouray and the Geokinetics oil shale project site. Uintah County would also like to purchase fill material (i.e.; part of the overburden) from the State to be used for road fill purposes. For the purpose of determining royalty payments on the tar sands, Uintah County currently sells its tar sands from its Asphalt Ridge pit for \$7 per ton, and we believe this is the appropriate fair market value.

Uintah County also respectfully requests that the bonding requirement for the land reclamation be waived. Uintah County agrees to reclaim and revegetate the disturbed land in accordance with State Land Board and State Division of Oil, Gas and Mining requirements.

If you have any questions regarding the attached Lease Agreement or Mine Reclamation Plan, feel free to contact us.

Sincerely,

UINTAH COUNTY COMMISSION

Byron G. Merrell
Byron G. Merrell, Chairman

Neal H. Domgaard
Neal H. Domgaard

Leo Snow
Leo Snow

NHD/sm
Encs.